

Remarks before the House Labor Committee

June 23, 2010

Eric DeLong, Deputy City Manager, City of Grand Rapids

Thank you for the opportunity to testify on SB 1085 and SB 1086.

The City of Grand Rapids would like to thank you for your interest and efforts in trying to help local government break down existing statutory barriers that prevent communities from achieving economic and service efficiencies. We believe that addressing the shortcomings of the Urban Cooperation Act (P.A. 7 of 1967) and Intergovernmental Transfer of Functions and Responsibilities Act (P.A. 8 of 1967) through real reform will accelerate progress toward real cost savings for local taxpayers and the effective delivery of local services.

Real reform could be transformative for this State and its local government partners. And that is what is needed- real transformative reform.

The time to act is now. The State is expecting significant continued budget deficits well into the future. These past and future deficits have and will continue to impact our communities.

The City of Grand Rapids and its local partners in Urban Metro Mayors and Managers have achieved a significant level of service cooperation and consolidation. Together these six cities have: formed effective inter-governmental Police teams (cold-cases, drug enforcement, vice, cyber-crime, and auto theft); shared park services, partnerships with public schools and fire service innovations like ground-breaking automatic aid agreements.

The Cities of Wyoming and Grand Rapids formed an innovative biosolids partnership in which we will face the future together. Those same two cities have formed a Dispatch Partnership that will begin operations July 1, 2010. The first year savings are \$1.6 million for Grand Rapids and \$500,000 for the City of Wyoming.

The Cities of UMM and Kent County have been the focus of a Citizen Research Council report entitled Streamlining Functions and Services of Kent County and Metropolitan Grand Rapids Cities that highlights the 150 interlocking service agreements we have achieved. The report concludes that the acts we are discussing today are significant barriers to real progress.

We are prepared to do more, and discussions are underway, but we have to remove key barriers to innovation and progress. We have reached the limit of what we can do without legislative action. If you want different results, and we all do, effective changes must be made

The barriers in Urban Cooperation Act and the Intergovernmental Transfer of Functions and Responsibilities Act are real. They are a road block to consolidation of services, service sharing and savings.

The Senate passed versions of SB1085 and SB1086 attempt to take a step in the right direction, but fall short of the real reform this State requires. They do not solve problems for cities. In fact, they do not address important issues and make the situation worse in ways that my co-presenter, Mr. Scott Smith, will explain.

Mr. Smith will also discuss the substitute H-2 language we have developed in conjunction with Senator Jansen, Senate counsel and others that would improve our chances to transform Michigan.

The City of Grand Rapids, along with local governments throughout Michigan, is seeking efficiencies and ways to consolidate in order to save taxpayers' dollars. Our regional partners are among the most innovative in the nation. Please help us enhance our ability to efficiently consolidate services at the lowest cost to the taxpayers and their communities.

Thank you again for your work on this issue. The City stands ready to assist you and your staff in any way as action on this important local government reform moves forward.